

How has the Netherlands managed to sustain near-replacement fertility?

Policy Brief No. 12

At first glance, the Netherlands appears to be a “fertility paradox”, with moderately high levels of childbearing despite a near total absence of government policies designed to promote fertility. Although fertility began going down in the late 1960s, the Netherlands has consistently maintained a total fertility rate above 1.7 births per woman.

What factors may be contributing to the Netherlands’ status as one of the highest fertility countries in Europe? Generous government welfare policies may play a role. Strong and widely accepted cultural norms that support women’s roles as mothers and childcare providers may be even more important. Although recent immigrants tend to have somewhat higher fertility than native-born Dutch women, this has not made a strong contribution to the fertility level as a whole.

Generous government welfare programmes

Although there are no specific programmes designed to raise fertility, the Dutch Government provides substantial welfare benefits that make it easier to start and raise a family. For one thing, generous government mortgage and co-financing policies have allowed young people to buy their own homes or qualify for affordable public housing. The Dutch housing market also has a fairly large and affordable rental sector. Several studies have shown that a housing market in which young people can move away from their parents and start homes of their own has a positive effect on fertility.

Compared with other Western European countries, the Netherlands has a short — but fully paid — maternity leave of 16 weeks. Mothers and fathers are also entitled to parental leave to care for young children, although this benefit varies by employer. More recently, the Government has added five days of paternity leave to be taken immediately after a child is born. The Government also offers child allowances, although these have been reduced several times in response to recent financial crises.

The Central Childcare Act, introduced in 2005, recommended that the Government, employers, and families each pay one third of the cost of childcare for working parents. The Government began paying one third in 2007, although payments were income adjusted, and employers were formally required to pay another one third in 2012. Since 2011, however, public funding for childcare has been reduced several times.

Strong cultural norms stressing the importance of childcare by mothers or grandparents are associated with a widespread aversion to institutionalized childcare. Compared with the rest of Europe, children in the Netherlands spend very little time in formal childcare. Use of formal childcare is widespread, but only for a limited number of hours per week and often combined with informal care from grandparents.

Higher education, particularly of women, operates to postpone childbearing and can result in lower fertility overall. Dutch women have made considerable gains in education, and now more women complete university education than men. This appears to have had the expected effect on the timing of childbearing. At an average age of 29.4 years, first-time mothers in the Netherlands are among the oldest in the world. Many go on to have a second child soon after the first.

Education influences fertility decisions in another way. The price of higher education is likely one crucial factor in parents’ decision-making about how many children they can afford. Until 2012, public education in the Netherlands was virtually free through to the university level. As a result, parents have not had to limit the size of their families because of concerns about education costs. A recently proposed change to move from a free university education to a system of student loans will likely have far-reaching consequences in this respect.

Persistence of traditional gender roles

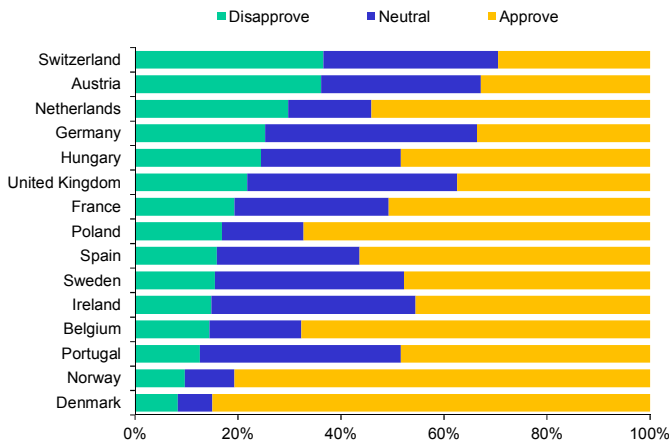
Dutch society has experienced extreme secularization and is now one of the most secular societies in Europe. Nevertheless, gender roles remain traditional, and many families consist of a male bread-winner and a woman working part-time. In public-opinion surveys, most respondents disapprove of women with small children working full-time, and most Dutch women who are working cut back on their hours of employment after they give birth.

The Netherlands is truly exceptional in its high share of part-time jobs, and mothers tend to manage their work hours around their children’s school day. In 2005, 61 per cent of women and 15 per cent of men were working part-time. Men with young children are increasingly taking off from work one day a week for what is termed a “daddy day”.

This preference for part-time work affects women’s education. Although graduation rates are high, Dutch women are often streamed into fields of study, such as teaching and health care, that are relatively low paying but easy to combine with

raising a family. As a result, typical female jobs are in personal services — mostly labour intensive and poorly paid. In the event of divorce or death of a spouse, many women in these jobs risk falling into poverty.

Attitude towards a woman with a child under age 3 working full-time, selected European countries



Evolution of programmes and policies

The Dutch welfare state has sought to implement an ideal of “the good life”, based on a mixture of accepted practices, such as married women staying out of the labour market, and the realization of social and political ideals, such as state pensions, insurance against unemployment and disability, universal health care and free education. Recent financial crises have called the sustainability of this system into question, however, signaling the end of many generous state policies and increasing calls for women to become less reliant on their husbands and more economically independent. In an effort to increase labour-market participation, new policies include fiscal equality between men and women, expansion of childcare, and the end of wage discrimination in part-time jobs. Most importantly, the Netherlands has maintained the right to part-time work for many years, and part-time workers are granted the same benefits — such as health-care coverage and pensions — as employees who work full-time.

Recent policy changes have been followed by a clear rise in women’s labour-market participation and greater flexibility in the labour market in terms of temporary jobs and part-time employment. This increased flexibility has had mixed effects

on the life courses of individuals, however. Although the growth of fixed-term contracts and part-time work has permitted young people and women to enter the labour market in large numbers, the positions they are filling have often been “stop-gap” or “dead-end” jobs.

What can we learn from the Dutch case?

The first lesson we can take from the Netherlands is that direct family policy focused on fertility is not always necessary to promote moderate to high fertility levels. Strong social norms and values are also important. The second lesson is that a flexible labour market, with part-time work opportunities for women, has apparently translated into moderately high fertility.

The focus on part-time work, free education, co-financing of mortgages, generous child allowances and support for childcare has taken a toll on the State. The recent financial crises have meant that many formally generous policies have had to be reduced. This includes cuts to child allowances and childcare programmes. A recently proposed change to move from free university education to a system of student loans also shows that there are very real limits to State generosity. Only the future will tell whether it was these generous policies that have sustained the Netherlands’ relative high levels of fertility.

NOTES

This policy brief was prepared as background material for the United Nations Expert Group Meeting on Policy Responses to Low Fertility. It can be found online at <http://esa.un.org/PopPolicy/publications.aspx>. Queries can be sent to PopPolicy@un.org.

The brief is based on Melinda C. Mills (2015), The Dutch fertility paradox: How the Netherlands has managed to sustain near-replacement fertility. In Ronald R. Rindfuss and Minja Kim Choe (Eds.), *Low and Lower Fertility: Variations across Developed Countries*. Springer.

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